#### Remarks

#### I. Introduction

This is in response to the Office Action dated September 16, 2004. The Office action objected to claim 1 due to certain informalities. The Office Action rejected claims 1, 2, 5, 11, 22, 28 and 31-33 under 35 U.S.C. §102(e) as being anticipated by U.S. Patent No. 5,959,623 (van Hoff et al.). Claims 3, 35, 36 and 41 were rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of U.S. Patent No. 5,715,314 (Payne et al.). Claims 4, 7 and 29 were rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of U.S. Patent No. 4,799,156 (Shavit et al.). Claim 6 was rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of U.S. Patent No. 5,970,469 (Scroggie et al.). Claims 10, 34 and 42 were rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of U.S. Patent No. 6,336,099 (Barnett et al.). Claims 13 and 18-20 were rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of Payne et al. and further in view of U.S. Patent No. 6,483,895 (Bixler et al.). Claim 26 was rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of Payne et al. Claim 14 was rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of Payne et al., in view of Bixler et al. and further in view of Shavit et al. Claim 15 was rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of Payne et al. and further in view of Scroggie et al. Claim 16 was rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of Payne et al., in view of Bixler et al. and further in view of U.S. Patent No. 5,957,695 (Redford et al.). Claim 17 was rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of Payne et al., in view of Bixler et al. and further in view of Taylor. Claim 21 was rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of Payne et al., in view of Bixler et al. and further in view of Barnett et al. Claim 27 was rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of Payne et al., in view of Bixler et al. and further in view of Shavit et al. Claim 30 was

rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of Scroggie et al. Claims 12, 23-25, 48, 49, 51, 52, 54, 55, 57 and 58 were rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of Bixler et al. Claim 56 was rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of Bixler et al. and further in view of Payne et al. Claim 50 was rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of Bixler et al. and further in view of Taylor. Claim 59 was rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. and further in view of Barnett et al. Claim 60 was rejected under 35 U.S.C. §103(a) as being unpatentable over van Hoff et al. in view of Bixler et al. and further in view of Barnett et al. in view of Bixler et al. and further in view of Taylor.

In response, Applicants have amended claims 1, 13, 22, 35, 41 and 48. Claims 8, 9, 19, 20, 32, 33, 37-40, 43-47 and 61-64 have been previously cancelled. Claims 1-7, 10-18, 21-31, 34-36, 41, 42 and 48-60 remain for consideration.

# II. Claim Objection

Claim 1 was objected to because of an informality. In particular, the Office Action indicated that it is unclear what the applicant means by the advertising software operating independent of the browser software. The Examiner indicated that the claim was interpreted to mean that the two applications are being displayed separately on the screen. The Office Action required correction of claim 1. In response, Applicants have amended claim 1 to recite "said advertising software and said browser adapted to function independently of each other said browser on said client computer by displaying information in different regions of said display device". Applicants believe that this amendment addresses the Examiner's concern and request withdrawal of the objection.

## III. The Currently Pending Claims are Allowable over the Cited Art.

The present invention is directed to a system and method for advertising and carrying out electronic commerce on the Web. The present invention takes advantage of advertising software that operates as an overlay to a conventional known browser, and divides the user's client computer display into an advertising area and a browser area. This configuration of software elements allows for certain advantages over the prior art.

Such advantages, which are the subject of the claims as amended, are not shown nor suggested in the cited art. As such, allowance of all pending claims is respectfully requested.

The first advantage is the dynamic targeting of advertisements to a user's web browser. As described in the specification at page 18, lines 10 – 27 and page 25, line 17 – page 28, line 27, one advantage of the present invention is the ability to target specific advertisements to users based on the browsing habits of the user. In particular, the advertisements are targeted by analyzing the content of the pages displayed in the browser display area and choosing advertisements relating to the content of such pages.

The second advantage is the ability to display further advertising information in the browser area when the user selects a link in the advertising area. As such, the selection of a link in the advertising area of the display causes information to be displayed in the browser area of the display. Thus, if a user, upon viewing an advertisement, wishes to see additional information about a product or service, the user may select a link and cause such additional information to be displayed in the browser display area.

These two advantages were the main subject of the arguments presented in Applicants' previous response dated September 19, 2003. The current outstanding Office Action indicates in paragraph 24 that Applicants' arguments have been considered but are not persuasive. Applicants have further amended independent claims 1, 13, 22, 35, 41 and 48 in order to more particularly claim the above aspects of the invention, and Applicants provide further arguments herein as to why the cited art does not render the presently pending claims obvious.

Claim 1 has been rejected under §102(e) as being anticipated by Van Hoff et al. In order for a claim to be anticipated under 35 U.S.C. §102, **each and every** limitation of the claim must be found either expressly or inherently in a single prior art reference. PIN/NIP, Inc. v. Platte Chem. Co., 304 F.3d 1235, 1243 (Fed. Cir. 2002). In the present case, Van Hoff et al. does not show each and every limitation of amended claim 1 and Applicants request the withdrawal of the rejection under 35 U.S.C. §102(e).

Independent claim 1 has been amended to contain the limitations of:

said advertising software adapted to receive an advertisement selected based on an analysis of related to at least one page displayed to a user by said browser in said second region of said display device from said server,

wherein an advertisement displayed to the user by said advertising software in said first region of said display device comprises at least one link that loads and displays a page in said second region of said display device by said browser area when said link is selected by a user.

Claim 1 now particularly claims that the targeted advertisement is selected based on an analysis of a page displayed in the browser region of the display. With respect to this limitation, the Office Action cited van Hoff et al. at col. 5, lines 1-14 as disclosing this aspect of the invention. However, the cited portion of van Hoff et al. merely indicates that additional information about an advertisement may be retrieved through a URL which is linked to a WWW site. Nowhere does the cited section of Van Hoff et al. disclose the analysis of pages in the browser region in order to select advertisements to be displayed in the advertising region. In responding to Applicants previous arguments on this aspect of the invention, the Office Action in paragraph 25 states "the examiner disagrees with applicant's argument because van Hoff et al teaches that limitation by showing that when a user clicks on an advertisement (i.e., content), the browser is used to display the content of the advertisement to the user", and cites col. 5, lines 2-27 of van Hoff et al. Claim 1, as amended, now particularly claims that the advertisement that is displayed in the advertising area is selected based on an analysis of a page displayed in the browser area of the display. It is clear that van Hoff et al. does not disclose the selection of advertisements to display in an advertising display region based on an analysis of pages browsed by the user in a separate browser display region, and as such van Hoff et al. cannot anticipate amended claim 1 under the strict standard of §102.

Claim 1 now also particularly claims that the advertisement displayed in the advertising region comprises a link that, when selected by a user, displays a page in the browser region. With respect to this limitation, the Office Action again cited van Hoff et al. at col. 5, lines 1-14. However, as described above, the cited portion of van Hoff et al.

merely indicates that additional information about an advertisement may be retrieved through a URL which is linked to a WWW site. However, in accordance with the disclosure of van Hoff et al., the additional information will be displayed in the advertisement window of the display, not in the browser window as currently claimed in amended claim 1. As disclosed by van Hoff et al. at col. 5, lines 1-14, the applets (310) perform the retrieval of the additional information. As described at col. 7, lines 25-30 of van Hoff et al., the applets are methods for displaying the information in the Ad list and the Ad window (corresponding to the advertising region of the present invention), as distinguished from the present invention in which the additional information selected by the user is displayed in the **browser region** of the display. In responding to Applicants previous arguments on this aspect of the invention, the Office Action in paragraph 25 states "the examiner respectfully disagrees with applicant argument because van Hoff et al clearly teaches applicant's claimed limitation by showing that when a user clicks on an advertisement (i.e., content), the browser is used to display the content of the advertisement to the user", and cites col. 5, lines 2-27 of van Hoff et al. However, van Hoff et al. cannot anticipate claim 1 because claim 1 claims that when a user clicks on an advertisement in the advertisement region of the display, the resulting information is displayed in the browser region of the display. However, in van Hoff et al. the additional retrieved information is displayed in the advertising section, not in the browser region. As such, van Hoff et al. cannot anticipate amended claim 1 under the strict standard of §102.

All other independent claims (i.e., claims 13, 22, 35, 41 and 48) have been amended to contain limitations similar to those added to claim 1. The indicated amendments have been made to independent claim 13:

wherein an advertisement displayed by said advertising software <u>in said</u> advertising area comprises at least one link that loads and displays a page in a browser area <u>when said link is selected by the user</u>; and

wherein said server targets said advertisements to the user, said server selecting transmitting-advertisements based on an analysis of related to-pages displayed through said browser in said browser area on said client's computer at the user's request.

Similarly, the indicated amendments have been made to independent claims 22, 35 and 41:

- a. loading advertising software from a server on a client computer with a browser at a user's request, said advertising software dividing the client computer screen into a browser area and an advertising area;
- b. determining the topics of analyzing pages viewed through said browser in said browser area on said client computer at the user's request in order to determine the topics of said pages;

Similarly, independent claim 48 has been amended as follows:

a memory that stores browser software adapted to be executed to retrieve and display in a browser area a hypertext page from a site and advertising software adapted to retrieve and display in an advertising area targeted advertisement from an advertising server which selects advertisements based on an analysis topics of pages viewed through said browser software in said browser area,

wherein said browser software and advertising software is further adapted to display an advertisement page by the browser <u>in said browser area</u> when an advertisement displayed by said advertising software <u>in said advertising area</u> is selected by the user;

All independent claims have been amended to contain limitations directed to 1) dynamic targeting of advertisements by analysis of pages in the browser area; and 2) displaying information in the browser area when a link from the advertising area is selected. As described above, neither of these limitations is disclosed nor suggested in the cited art. Allowance of independent claims 13, 22, 35, 41 and 48 is requested.

All remaining dependent claims depend upon, and incorporate the limitations of, one of the independent claims described above and are allowable for the reasons discussed above. Further, the dependent claims are further allowable due to the additional patentable subject matter claimed therein. For example, claims 4, 14, 27 and 50 are directed to the establishment of interactive communications between a user and a sales agent through the use of the advertising software. Applicants repeat the arguments made with respect to these claims in the prior response dated September 19, 2003. In

addition, Applicants note the newly cited Shavit et al. reference. However, the mere disclosure in Shavit et al. of interactive communication does not render the particular combination of limitations set forth in claims 4, 14, 27 and 50 obvious.

## IV. No New Matter Has Been Added

The claim amendments made herein are fully supported by the patent application as filed. The limitation relating to targeting advertisements by analyzing the contents of pages displayed in the browser display area is supported by the application as filed at least at page 18, lines 10-27 and page 25, line 17 through page 28, line 27.

#### V. Conclusion

For the reasons discussed above, all pending claims are allowable over the cited art. Reconsideration and allowance of all pending claims is respectfully requested.

Respectfully submitted,

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